

RD AN No. 3480 (1951-E)  
September 1, 1999

SUBJECT: Transfer Fees for Ineligible Applicants  
Under Community and Business Programs  
Fiscal Year 2000

TO: State Directors  
Rural Development

FROM: GARY J. MORGAN "Signed by Gary J. Morgan"  
Acting Assistant Administrator  
Water and Environmental Programs  
Rural Utilities Services

JAMES C. ALSOP "Signed by James C. Alsop"  
Deputy Administrator  
Community Programs  
Rural Housing Service

WILLIAM F. HAGY III "Signed by William F. Hagy III"  
Deputy Administrator  
Business Programs  
Rural Business-Cooperative Service

**PURPOSE/INTENDED OUTCOME:**

Transfer fees are to be collected to offset anticipated FY 2000 administrative costs. A \$1,513.00 fee will be collected when a loan is transferred to an ineligible applicant under the following programs:

- Water and Waste Disposal
- Community Facilities
- Recreation
- Business and Industry Insured
- Resource Conservation and Development
- Watershed and Flood Prevention

EXPIRATION DATE  
September 30, 2000

FILING INSTRUCTIONS  
Preceding RD Instruction 1951-E

**COMPARISON WITH PREVIOUS AN:**

This AN replaces RD AN No. 3415(1951-E) dated September 18, 1998.

**IMPLEMENTATION RESPONSIBILITIES:**

State Directors are responsible for collecting a fee of \$1,513.00 when processing a transfer to an ineligible applicant in accordance with RD Instruction 1951-E, section 1951.230(d).

This fee is based on Agency staffing and other administrative costs relative to the processing of a transfer and assumption.

Transfer fees will be deposited in accordance with current instructions governing the handling of collections. The fees will be identified as transfer fees on Form RD 451-2, "Schedule of Remittances."